Converting Urban Cooperative Banks into Private Banks

921. SHRI SURESH KALMADI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to permit the Urban Co-operative Banks to convert themsives into private Banks with widely held shares; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Under the existing legal framework Urban Co-operative Banks are registered under the respective State Co-operative Societies Act and are governed for purposes of registration, administration and Management by the Registrar of Co-operative Societies of the State. The regulation and control of their banking operation is vested with the Reserve Bank of India under the Banking Regulation Act, 1949 (as applicable to Co-operative Societies). There is no provision at present for conversion of Urban Co-operative Banks into a company governed by the provisions of the Companies Act, 1956. Till any changes are made, the urban banks will continue to be licensed under extent licensing policy.

Vacant accommodation in New York belonging to India investment centre

@922. SHRI RAMDAS AGARWAL:
SHRI MENTAY PADMABHAM:
SHRI MD. SALIM :
SMT. SARALA MAHESHWARI:

Will the Minister of FINANCE be pleased to state:

(a) Whether it is a fact that the Indian Government paid dollar 144.00 (over Rs. 43 lakhs in foreign exchange during the last 18 months to hold on four vacant rooms that housed the defunct India Investment Centre (IFC) in New York as reported in the Economic Times dated 13th January, 1993; and

(b) if so, since when IIC's office had been lying vacant and why no Indian Government Official cared to take the initiative to rent the space to avoid unnecessary payment of such a huge amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) Indian Investment centre had vacated its erstwhile New York Office premises on 30.6.1991 and handed over possession to State Trading Corporation on 1.7.1991. The STC had informed that as per the lease agreement effective upto 1998, presently they are paying rent to the land lord US dollar 51 per sq. foot, inclusive of electricity charges and efforts taxes and service charges, and efforts are being made by STC to rent out the vacant space to reduce financial loss.

Requests to prevent under invoiced imports

923. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether a number of underinvoiced imports of floppy diskettes have come in the notice of Government;

(b) whether the Electronic Component Industries Association has requested Government to immediately crack down on those underinvoiced imports to plug revenue loss and to save the indigenous units; and

(c) what action is being taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) No, Sir.

@Previously unstarred question 213 transferred from 24th Feb. 1993.